Tax Evasion by private banking financial companies

*29. SHRI RAMA MUNI REDDY SIRIGIREDDY : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Comptroller and Auditor General has revealed that more than 1,500 private banking financial companies are outside the tax net and are allegedly involved in tax evasion;

(b) if so, whether Government propose to make filing annual financial returns mandatory for the non-banking private companies; and

(c) what are the details in this regard ?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) The C & AG in their Report No. 12 A of 2002 presented to Parliament on 15th March, 2002, have included the results of the Review on Private Banking Companies and Non Banking Fiancial Companies. As per this report, in the States of Bihar, Gujarat, Haryana, Kerala, Uttar Pradesh, Delhi and West Bengal, 12,210 (or 66%) of the 18,435 NBFCs identified by Audit were not in the tax net. This Report of C & AG is being examined in the CBDT for suitable action.

(b) and (c) Yes, Sir.Government has already amended Sub-section (1) of Section 139 w.e.f. 1.4.2001. As per these amended provisions, every company shall, on or before the due date, furnish a return of verified income.

Appointment of Consultants by SBI for HRD

*30. SHRIMATI VENGA GEETHA : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the State Bank of India plans to appoint persons to deploy them in areas in which the bank wants to focus *i.e.* in marketing like market insurance products;

(b) whether bank's 40 per cent of work force has become redudant on account of computerisation in the country;

(c) whether bank proposes to appoint consultant for human resource development for optimum utilization of work force; and